

District I

1625 N French Dr , Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St Francis Dr , Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

JAN 27 2009

Form C-101

June 16, 2008

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

S

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,
PLUGBACK, OR ADD A ZONE**

Operator Name and Address Yates Petroleum Corporation 105 S 4 th Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30.015.34601
³ Property Code 12801	⁵ Property Name Stonewall EP State	⁶ Well No. 9
⁹ Proposed Pool 1 Burton Flat; Morrow (Pro Gas)		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	19	20S	28E	I	1980'	South	660'	East	Eddy

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3269'
¹⁶ Multiple N	¹⁷ Proposed Depth 11,500'	¹⁸ Formation Morrow	¹⁹ Contractor Not Determined	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.5	13.375	48#	600'	650 sx	0
12.25	9.625	36#	2600'	1025 sx	0
8.75	5.5	17#	11500	3600 sx	2100

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposes to drill and test the Morrow/intermediate formations. Approximately 600' of surface casing will be set and cement circulated. Intermediate casing will be set at 2600', cement circulated to surface. If commercial, production casing will be ran can cemented, perforated and stimulated as need to gain production.

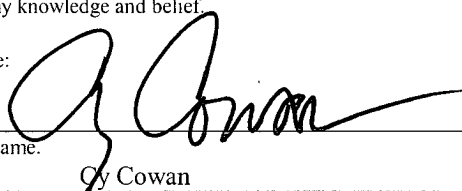
MUD PROGRAM: 0-600' FW Paper; 600'-2600' FW/LCM; 2600'-10300' Cut Brine; 10300'-11500' Salt Gel/Starch/ 4-6%KCL

BOPE PROGRAM: a 5000# BOPE will be installed on the 9.625" casing and tested daily for operational..

Sources at YPC have relayed information to me that they believe there will not be enough H2S found from the surface to the Morrow formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:



Printed name:

Cy Cowan

Title:

Regulatory Agent

E-mail Address:

cy@yatespetroleum.com

Date

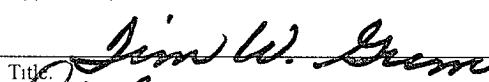
January 26, 2009

Phone

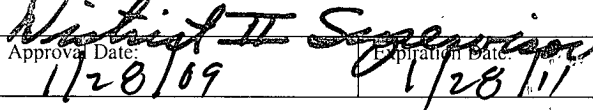
(575) 748-4372

OIL CONSERVATION DIVISION

Approved by:



Title:



Approval Date:

1/28/09

Expiration Date:

1/28/11

Conditions of Approval Attached ☐


1-28-09

1625 N. French Dr., Hobbs, NM 88240

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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-34601	² Pool Code 73280	³ Pool Name Burton Flat, Morrow (Pro Gas)
⁴ Property Code	⁵ Property Name Stonewall EP State	⁶ Well Number 9
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3269'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
I	19	20S	28E		1980'	South	660'	East	Eddy

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
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¹³ Dedicated Acres 320 S2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16				<p>17 OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well as this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</i></p> <p><i>[Signature]</i> 1/16/08 Signature Date</p> <p><i>Cy Cowan</i> Printed Name</p>
		K-5115	<p>660'</p> <p>1980'</p>	<p>18 SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief</i></p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>REFER TO ORIGINAL PLAT</p> <p>Certificate Number _____</p>

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87506

Form C-103
Revised March 17, 1969
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fed Lease - 3 Copies

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

□ AMENDED REPORT

API Number		Pool Code	Pool Name
Property Code	Property Name STONEWALL "EP" STATE		Well Number 9
OCRD No. 025575	Operator Name YATES PETROLEUM CORPORATION		Elevation 3269

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	19	20S	28E		1980	SOUTH	660	EAST	EDDY

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres	Joint, or Infill	Consolidation Code	Order No.
320 S2			

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

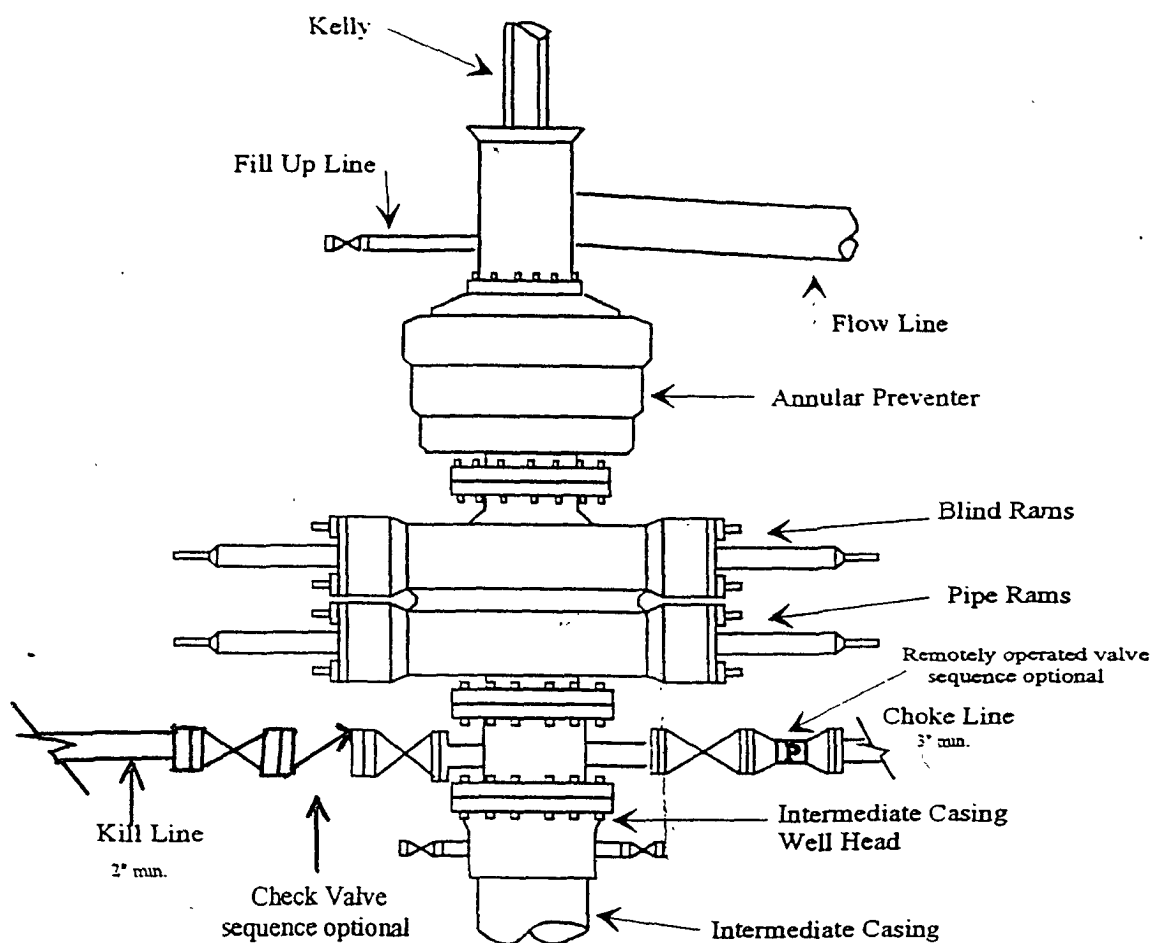
				<p align="center">OPERATOR CERTIFICATION</p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>Signature _____</p> <p>Printed Name _____</p> <p>Title _____</p> <p>Date _____</p>
				<p align="center">SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p align="right">1/10/2006</p> <p>Date Surveyed _____</p> <p>Signature & Seal of Professional Surveyor _____</p> <div data-bbox="1130 1655 1411 1925"> </div>
		<p align="center"> N.32°33'25.7" W.104°12'39.0" N.588441.3 E.579075.5 (NAD-83) </p> <p align="center">K-5115</p>	<p align="center">660'</p> <p align="center">1880'</p>	



Yates Petroleum Corporation

BOP-4

Typical 5,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



Typical 5,000 psi choke manifold assembly with at least these minimum features

